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STATE FOR WHA/CEN AND WHA/FO KIRSTEN MADISON
NSC FOR DAN FISK

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TAGS: [PGOV](#) [ECON](#) [EAID](#) [HO](#)
SUBJECT: HONDURAN PRESIDENT AND AMBASSADOR DISCUSS KEY
AREAS OF MUTUAL INTEREST

Classified By: Deputy Political Chief Frank Penirian. Reason: 1.4(b/d
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¶1. (C) SUMMARY: The Ambassador and Emboffs met with President Mel Zelaya and some of his closest ministers and advisors at the Ambassador's residence on August 13, 2007 to discuss key areas of mutual interest. President Zelaya indicated his willingness to publish the Government of Honduras' National Security Strategy as soon as possible, and stated that Honduran peacekeeping troops were ready for deployment to Haiti pending agreement with the United Nations and Congressional approval. He also said that Honduran planning for the Regional Security Strategy by SICA next month was on track. Regarding possible disqualification of Millennium Challenge Account funding, however, President Zelaya argued that the problem was not of corruption, but of perception and showed a complete unwillingness or inability to effect reform outside the executive branch. Whether abdicating these responsibilities is a sign of his lack of leadership capabilities or a foreshadowing of something more sinister, it would be difficult for President Zelaya to take outright control of institutions outside the executive branch in a crisis because he would lack support from key ministers in his own administration. END SUMMARY.

¶2. (SBU) The Ambassador and Emboffs met privately on August 13, 2007 with Honduran President Manuel (Mel) Zelaya; Secretary to the Presidency Yani Rosenthal; Minister of

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Foreign Affairs Milton Jimenez; Minister of Defense Aristides Mejia; Minister of Finance Rebecca Santos; Minister of Internal Security Alvaro Romero; and Presidential Advisor Raul Valladares to discuss areas of mutual interest as a follow-up to a meeting with the President on July 27. The Ambassador sent a letter to Minister Jimenez on August 2 with a list of seven areas which the Ambassador believes would prove beneficial for both countries to advance our bilateral dialogue, requesting any additional topics from the Government of Honduras (GOH). The key areas in the Ambassador's letter that were discussed at the meeting on August 13 were:

- Publication of a National Security Strategy, drafted in 2006 on current transnational crime threats;
- Deployment of the Honduran Peacekeeping Unit;
- Problems of corruption and fraud in the National Registry (RNP) and Immigration;
- Development of a Regional Security Plan by SICA for next month;

-- Rule of Law and Corruption Issues, including implications for the Millennium Challenge Account; and

-- Adoption of a sound medium-term macroeconomic program, including needed reform to the energy and telecommunications sectors.

13. (SBU) Originally scheduled for later this month, President Zelaya moved up the meeting to August 13, right before a public standoff with National Congress President Roberto Michelletti on the telecommunications dispute and other political issues that divided Zelaya and his small band of leftist advisors from Michelletti and the main body of the Liberal Party. Although Zelaya did not present to the Ambassador any new areas of mutual concern, he was engaged in the discussion. In particular, he indicated a willingness to publish the National Security Strategy as soon as possible, including preparation of an executive summary to help with its implementation, and said that the Honduran peacekeeping troops were ready to be deployed to Haiti upon agreement with the United Nations and Congressional approval. He also mentioned that the GOH was on track regarding planning for its role in the Regional Security Plan by SICA, which he said he discussed recently with Salvadoran President Saca in Colombia.

14. (SBU) However, when asked about corruption in the National Registry (RNP), President Zelaya launched into a long explanation about the inordinate power of the National Congress, especially the President of Congress. He explained that there was little that the executive branch could do because the National Congress (and not the executive branch) is the branch of government that makes the appointments to the institution. Zelaya also said that he could not compel the Public Ministry to prosecute a number of cases against the RNP because of the independent nature of the Attorney

General's jurisdiction.

15. (SBU) President Zelaya contended that corruption in Honduras, which could disqualify Honduras for Millennium Challenge Account funding, was primarily a matter of perception. He and Rosenthal asserted that most of the corruption indicators used by the Millennium Challenge Corporation (MCC) were opinion polls. He mentioned efforts in the executive branch, including the Transparency Law and the formation of a new board that reviews contracting procedures, for which he did not think Honduras was being given adequate credit. The Ambassador and Emboffs countered that the corruption measures used by the MCC were based on a number of sources, both surveys and panels of experts, that are widely used in international comparisons, and that whatever their deficiencies, they are the basis for MCC continued funding and should be taken into account. The Ambassador also suggested the formation of a small working group to discuss these issues, including a plan to help Honduras improve its record. President Zelaya with his ministers agreed to continue discussions on what Honduras needs to do to avoid a further deterioration of its chances for MCC funding in the future. We agreed at the end of the session to set up working groups on this agenda and meet again at the end of August to take action on items in the regional security area.

16. (C) COMMENT: While indicating a willingness to move quickly on security and military issues, President Zelaya demonstrated complete unwillingness during the meeting to take new measures to advance a reform agenda or to acknowledge the need for a fight against corruption, using the excuses of the separation of powers and faulty measures of corruption. However, the President can and does have influence in other branches of government. Whether or not his reasoning is a potential excuse to dissolve Congress in a crisis or take other extraordinary measures is unclear. In the meeting with the Ambassador, he seemed to be relying more on the advice of the pragmatist Rosenthal than less on the leftist Jimenez. He would also have problems exerting

extraconstitutional powers given the commitment by Ministers Mejia and Romero to democratic processes. Whether he is abdicating this responsibility because of a lack of leadership or for something more sinister, it does not appear that he has the alliances to pull off a Mel "coup" and take control of other parts of the GOH; rather, it seems to be another signal of his reluctance to make decisions and enact urgently needed reforms. END COMMENT.
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